



Ninety-Eighth Legislature - Second Session - 2004
Introducer's Statement of Intent
LB 1047

Chairperson: Mark Quandahl
Committee: Banking, Commerce and Insurance
Date of Hearing: January 26, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

(1) The bill would adopt the new National Association of Insurance Commissioners' (NAIC) standard on the minimum statutory interest rate guarantee for an individual fixed annuity contract. Last year, the Legislature amended these provisions to apply a set rate, while the NAIC completed the work on the model act, which is incorporated in this bill. The model act will allow Nebraska to apply the standard that is expected to be adopted nationally. (Sections 1 to 5.)

(2) The bill would limit the net worth for eligibility to receive payment for claims from the Nebraska Property and Liability Insurance Guaranty Association. (Section 6.)

(3) The bill would allow individuals who are eligible for health tax credits under the federal trade adjustment assistance program to become eligible for Comprehensive Health Insurance Pool (CHIP) coverage. (Sections 7 to 11.)

(4) The bill would clarify that there is no need for the Director of Insurance to wait sixty days after issuance of a supervision order before seeking a rehabilitation or liquidation order. (Section 12.)

Principal Introducer:

Mark Quandahl, Chairperson
Committee on Banking, Commerce and Insurance